

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2016 This Form is Open to Public Inspection
---	--	---

Part I	Annual Report Identification Information		
For calendar plan year 2016 or fiscal plan year beginning <u>01/01/2016</u> and ending <u>12/31/2016</u>			
A	This return/report is for:	☐ a multiemployer plan ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)	
	☒ a single-employer plan ☐ a DFE (specify) ____		
B	This return/report is:	☐ the first return/report ☐ the final return/report ☐ an amended return/report ☐ a short plan year return/report (less than 12 months)	
C	If the plan is a collectively-bargained plan, check here. ▶ ☐		
D	Check box if filing under:	☒ Form 5558 ☐ special extension (enter description)	☐ automatic extension ☐ the DFVC program

Part II	Basic Plan Information —enter all requested information		
1a	Name of plan <u>TRANE PENSION PLAN</u>	1b	Three-digit plan number (PN) ▶ <u>003</u>
		1c	Effective date of plan <u>09/01/2003</u>
2a	Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) <u>TRANE U.S. INC.</u> <u>800 E BEATY STREET</u> <u>DAVIDSON, NC 28036</u>	2b	Employer Identification Number (EIN) <u>25-0900465</u>
		2c	Plan Sponsor's telephone number <u>704-655-4000</u>
		2d	Business code (see instructions) <u>332900</u>

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	10/13/2017	PAUL LONGSTREET
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/13/2017	CHRISTOPHER J. KUEHN
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE
Preparer's name (including firm name, if applicable) and address (include room or suite number)			Preparer's telephone number

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Form 5500 (2016)
v. 160205

3a Plan administrator's name and address ☐ Same as Plan Sponsor BENEFITS ADMINISTRATION COMMITTEE OF INGERSOLL-RAND COMPANY 800 E BEATY STREET DAVIDSON, NC 28036	3b Administrator's EIN 22-2116054
	3c Administrator's telephone number 704-655-4000
4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name	4b EIN 4c PN
5 Total number of participants at the beginning of the plan year	5 3373
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d).	
a(1) Total number of active participants at the beginning of the plan year.....	6a(1) 2318
a(2) Total number of active participants at the end of the plan year	6a(2) 2334
b Retired or separated participants receiving benefits.....	6b 39
c Other retired or separated participants entitled to future benefits	6c 1017
d Subtotal. Add lines 6a(2) , 6b , and 6c	6d 3390
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	6e 13
f Total. Add lines 6d and 6e	6f 3403
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	6g
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	6h 100
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....	7
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 1C 3H	
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:	
9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)	
a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☒ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☐ A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☐ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)

Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2016 Form M-1 annual report. If the plan was not required to file the 2016 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2016 This Form is Open to Public Inspection
--	--	---

For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan <u>TRANE PENSION PLAN</u>	B Three-digit plan number (PN) ▶ <u>003</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>TRANE U.S. INC.</u>	D Employer Identification Number (EIN) <u>25-0900465</u>
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500

Part I	Basic Information
1 Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2016</u>	
2 Assets:	
a Market value	2a <u>23803872</u>
b Actuarial value	2b <u>24155657</u>
3 Funding target/participant count breakdown	
a For retired participants and beneficiaries receiving payment.....	(1) Number of participants <u>50</u> (2) Vested Funding Target <u>649702</u> (3) Total Funding Target <u>649702</u>
b For terminated vested participants.....	<u>1006</u> <u>5598088</u> <u>5598088</u>
c For active participants.....	<u>2318</u> <u>10487683</u> <u>11078615</u>
d Total.....	<u>3374</u> <u>16735473</u> <u>17326405</u>
4 If the plan is in at-risk status, check the box and complete lines (a) and (b)..... ☐	
a Funding target disregarding prescribed at-risk assumptions	4a
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	4b
5 Effective interest rate	5 <u>6.10 %</u>
6 Target normal cost.....	6 <u>919370</u>

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE		<u>09/22/2017</u>
	Signature of actuary	Date
<u>BRENDA G. STOVALL</u>	Type or print name of actuary	<u>17-05721</u>
		Most recent enrollment number
<u>TOWERS WATSON DELAWARE INC.</u>	Firm name	<u>901-930-0000</u>
<u>3340 PLAYERS CLUB PARKWAY</u> <u>SUITE 200</u> <u>MEMPHIS, TN 38125</u>	Address of the firm	Telephone number (including area code)

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

For Paperwork Reduction Act Notice, see the Instructions for Form 5500 or 5500-SF.

Schedule SB (Form 5500) 2016
v. 160205

Part II		Beginning of Year Carryover and Prefunding Balances	
		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	0	0
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9	Amount remaining (line 7 minus line 8)	0	0
10	Interest on line 9 using prior year's actual return of <u>0.75</u> %	0	0
11	Prior year's excess contributions to be added to prefunding balance:		
a	Present value of excess contributions (line 38a from prior year)		0
b(1)	Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>6.29</u> %		0
b(2)	Interest on line 38b from prior year Schedule SB, using prior year's actual return		0
c	Total available at beginning of current plan year to add to prefunding balance		0
d	Portion of (c) to be added to prefunding balance		
12	Other reductions in balances due to elections or deemed elections	0	0
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	0

Part III		Funding Percentages	
14	Funding target attainment percentage	14	139.41%
15	Adjusted funding target attainment percentage	15	139.41%
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	153.85%
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV		Contributions and Liquidity Shortfalls	
18 Contributions made to the plan for the plan year by employer(s) and employees:			
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	
Totals ►		18(b)	18(c)

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:			
a	Contributions allocated toward unpaid minimum required contributions from prior years	19a	0
b	Contributions made to avoid restrictions adjusted to valuation date	19b	0
c	Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	0
20 Quarterly contributions and liquidity shortfalls:			
a Did the plan have a "funding shortfall" for the prior year?		☐ Yes ☒ No	
b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner?		☐ Yes ☐ No	
c If line 20a is "Yes," see instructions and complete the following table as applicable:			
Liquidity shortfall as of end of quarter of this plan year			
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th

Part V	Assumptions Used to Determine Funding Target and Target Normal Cost		
21 Discount rate:			
a Segment rates:		1st segment: 4.43%	2nd segment: 5.91%
		3rd segment: 6.65%	☐ N/A, full yield curve used
b Applicable month (enter code)			21b 4
22 Weighted average retirement age			22 63
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute			
Part VI	Miscellaneous Items		
24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment. ☒ Yes ☐ No			
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. ☐ Yes ☒ No			
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment. ☒ Yes ☐ No			
27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment.			27
Part VII	Reconciliation of Unpaid Minimum Required Contributions For Prior Years		
28 Unpaid minimum required contributions for all prior years			28 0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)			29 0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)			30 0
Part VIII	Minimum Required Contribution For Current Year		
31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6)			31a 919370
b Excess assets, if applicable, but not greater than line 31a			31b 919370
32 Amortization installments:		Outstanding Balance	Installment
a Net shortfall amortization installment		0	0
b Waiver amortization installment		0	0
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount			33 0
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)			34 0
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement			0
36 Additional cash requirement (line 34 minus line 35)			36 0
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)			37 0
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)			38a 0
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances			38b 0
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)			39 0
40 Unpaid minimum required contributions for all years			40 0
Part IX	Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)		
41 If an election was made to use PRA 2010 funding relief for this plan:			
a Schedule elected ☐ 2 plus 7 years ☐ 15 years			
b Eligible plan year(s) for which the election in line 41a was made ☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011			
42 Amount of acceleration adjustment			42 0
43 Excess installment acceleration amount to be carried over to future plan years			43 0

<div>SCHEDULE C</div> <div>(Form 5500)</div> <div>Department of the Treasury Internal Revenue Service</div> <div>Department of Labor Employee Benefits Security Administration</div> <div>Pension Benefit Guaranty Corporation</div>	<div>Service Provider Information</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</div> <div>▶ File as an attachment to Form 5500.</div>	OMB No. 1210-0110
		2016
		This Form is Open to Public Inspection.

For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

<div>A</div> <div>Name of plan</div> <div>TRANE PENSION PLAN</div>	<div>B</div> <div>Three-digit plan number (PN)</div> <div>▶</div> <div>003</div>
<div>C</div> <div>Plan sponsor's name as shown on line 2a of Form 5500</div> <div>TRANE U.S. INC.</div>	<div>D</div> <div>Employer Identification Number (EIN)</div> <div>25-0900465</div>

Part I	Service Provider Information (see instructions)
--------	---

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

- a

Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions).....

☐ Yes ☒ No
- b

If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

TOWERS WATSON DELAWARE, INC.

23-1159360

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
11	NONE	31300	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

XEROX CORPORATION

16-0468020

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
65 16	NONE	13550	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

ALSTON & BIRD LLP

58-0137615

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
29	NONE	13010	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

BANK OF NEW YORK MELLON

13-5160382

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
21	TRUSTEE	8620	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3. If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)
(complete as many entries as needed)

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

SCHEDULE H (Form 5500) Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110
		2016
		This Form is Open to Public Inspection

For calendar plan year 2016 or fiscal plan year beginning <u>01/01/2016</u> and ending <u>12/31/2016</u>		
A Name of plan <u>TRANE PENSION PLAN</u>	B Three-digit plan number (PN) ►	<u>003</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>TRANE U.S. INC.</u>	D Employer Identification Number (EIN) <u>25-0900465</u>	

Part I	Asset and Liability Statement
---------------	--------------------------------------

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....	1b(1)		
(2) Participant contributions	1b(2)		
(3) Other.....	1b(3)	<u>125008</u>	
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other.....	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common.....	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property).....	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans.....	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities.....	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	<u>23678864</u>	<u>23406928</u>
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other	1c(15)		

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	23803872	23406928

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k	0	0

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	23803872	23406928
---	-----------	----------	----------

Part II Income and Expense Statement

- 2** Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)		
(B) Participants	2a(1)(B)		
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		0
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	710946	
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		710946
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		0
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	-34023	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		-34023
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)	-52573	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		-52573

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		624350

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	735376	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3).....	2e(4)		735376
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: (1) Professional fees.....	2i(1)	32351	
(2) Contract administrator fees.....	2i(2)		
(3) Investment advisory and management fees.....	2i(3)	37785	
(4) Other	2i(4)	215782	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		285918
j Total expenses. Add all expense amounts in column (b) and enter total	2j		1021294

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		-396944
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan.....	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☐ Unqualified (2) ☐ Qualified (3) ☒ Disclaimer (4) ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)?

☒ Yes ☐ No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: DIXON HUGHES GOODMAN LLP

(2) EIN: 56-0747981

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....

b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)

	Yes	No	Amount
4a		X	
4b		X	

		Yes	No	Amount
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X	
e Was this plan covered by a fidelity bond?	4e	X		40000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j	X		
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l Has the plan failed to provide any benefit when due under the plan?	4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m			
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n			
o Defined Benefit Plan or Money Purchase Pension Plan Only: Were any distributions made during the plan year to an employee who attained age 62 and had not separated from service?	4o			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?
If "Yes," enter the amount of any plan assets that reverted to the employer this year. ☐ Yes ☒ No **Amount:**

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)

5c If the plan is a defined benefit plan, is it covered under the PBGC insurance program (See ERISA section 4021.)? ☒ Yes ☐ No ☐ Not determined
If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year 4063770. (See instructions.)

Part V Trust Information

6a Name of trust	6b Trust's EIN
6c Name of trustee or custodian	6d Trustee's or custodian's telephone number

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2016 This Form is Open to Public Inspection.
---	---	--

For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

A Name of plan <u>TRANE PENSION PLAN</u>	B Three-digit plan number (PN) ▶ <u>003</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>TRANE U.S. INC.</u>	D Employer Identification Number (EIN) <u>25-0900465</u>

Part I	Distributions
---------------	----------------------

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions	1	
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>13-1483824</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year	3	<u>101</u>

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)
----------------	---

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?	☐ Yes	☒ No	☐ N/A
If the plan is a defined benefit plan, go to line 8.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.			
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)	6a		
b Enter the amount contributed by the employer to the plan for this plan year	6b		
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount)	6c		
If you completed line 6c, skip lines 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?	☐ Yes	☐ No	☐ N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?	☐ Yes	☐ No	☒ N/A

Part III	Amendments
-----------------	-------------------

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box.....	☐ Increase	☐ Decrease	☐ Both	☒ No
--	-----------------------------------	-----------------------------------	-------------------------------	--

Part IV	ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
----------------	---

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Schedule R (Form 5500) 2016
v. 160205

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

14	Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:		
	a The current year	14a	
	b The plan year immediately preceding the current plan year	14b	
	c The second preceding plan year	14c	
15	Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:		
	a The corresponding number for the plan year immediately preceding the current plan year	15a	
	b The corresponding number for the second preceding plan year	15b	
16	Information with respect to any employers who withdrew from the plan during the preceding plan year:		
	a Enter the number of employers who withdrew during the preceding plan year	16a	
	b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	16b	
17	If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐		

Part VI	Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans
----------------	---

18	If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment
19	If the total number of participants is 1,000 or more, complete lines (a) through (c) a Enter the percentage of plan assets held as: Stock: _____% Investment-Grade Debt: <u>100</u> % High-Yield Debt: _____% Real Estate: _____% Other: _____% b Provide the average duration of the combined investment-grade and high-yield debt: ☐ 0-3 years ☒ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more c What duration measure was used to calculate line 19(b)? ☒ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____

Part VII	IRS Compliance Questions
-----------------	---------------------------------

20a Is the plan a 401(k) plan? If "No," skip b	☐ Yes ☐ No
20b How did the plan satisfy the nondiscrimination requirements for employee deferrals under section 401(k)(3) for the plan year? Check all that apply:	☐ Design-based safe harbor ☐ "Prior year" ADP test ☐ "Current year" ADP test ☐ N/A
21a What testing method was used to satisfy the coverage requirements under section 410(b) for the plan year? Check all that apply:	☐ Ratio percentage test ☐ Average benefit test ☐ N/A
21b Did the plan satisfy the coverage and nondiscrimination requirements of sections 410(b) and 401(a)(4) for the plan year by combining this plan with any other plan under the permissive aggregation rules?	☐ Yes ☐ No
22a If the plan is a master and prototype plan (M&P) or volume submitter plan that received a favorable IRS opinion letter or advisory letter, enter the date of the letter / / and the serial number .	
22b If the plan is an individually-designed plan that received a favorable determination letter from the IRS, enter the date of the most recent determination letter / / .	

Independent Auditors' Report

To the Participants and Administrator of the
Trane Pension Plan
Davidson, North Carolina

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of the Trane Pension Plan (the "Plan"), which comprise the statements of net assets available for benefits as of December 31, 2016 and 2015, the related statements of changes in net assets available for benefits for the years then ended, the statement of accumulated plan benefits as of December 31, 2015, and the related statement of changes in accumulated plan benefits for the year ended December 31, 2015, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America. This includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audits in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the *Basis for Disclaimer of Opinion* paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's ("DOL") Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 ("ERISA"), the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 4, which was certified by The Bank of New York Mellon, the trustee of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee as of December 31, 2016 and 2015, and for the years then ended, that the information provided to the plan administrator by the trustee is complete and accurate.



Disclaimer of Opinion

Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

Other Matter

The supplemental schedule of assets (held at end of year) as of December 31, 2016 and schedule of reportable transactions for the year ended December 31, 2016 are required by the DOL's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and are presented for the purpose of additional analysis and are not a required part of the financial statements. Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* paragraph, we do not express an opinion on the supplemental schedules.

Report on Form and Content in Compliance with DOL Rules and Regulations

The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

Dixon Hughes Goodman LLP

**Charlotte, North Carolina
October 13, 2017**

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 24 Change in Actuarial Assumptions

The assumed plan-related expenses added to the target normal cost were changed from \$285,000 for 2015 to \$320,000 for 2016.

The interest crediting rate was changed from 3.50% to 3.89%.

Plan Name:	Trane Pension Plan
EIN / PN:	25-0900465 / 003
Plan Sponsor:	Trane U.S. Inc.
Valuation Date	January 1, 2016

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 26 Schedule of Active Participant Data for Cash Balance Plans as of January 1, 2016

Number and average plan compensation limited by IRC §401(a)(17) distributed by attained age and attained years of credited service

All monetary amounts shown in US Dollars

Attained Age	Attained Years of Credited Service										Grand Total
	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 and over	
Under 25	44	79	5								128
	30,856	35,407									33,553
25-29	30	140	11								181
	29,381	39,123									36,836
30-34	24	88	14	2							128
	31,901	43,280									41,177
35-39	17	59	17	4	8						105
		44,102									40,519
40-44	8	63	17	3	15	1					107
		42,460									41,494
45-49	8	49	7	2	5	1					72
		37,419									39,015
50-54	16	49	15		2						82
		43,156									41,046
55-59	8	39	9	1	1	1			1		60
		45,631									45,049
60-64	4	19	8								31
											38,708
65-69		3	2						1		6
Total	159	588	105	11	32	3	0	0	2	0	900
	32,461	40,651	37,480		46,049						39,137

**The table only includes those union employees eligible for continued pay-based credits (900 employees in 2016 with limited plan pay of \$35,223,244).

Plan Name: Trane Pension Plan
 EIN / PN: 25-0900465 / 003
 Plan Sponsor: Trane U.S. Inc.
 Valuation Date: January 1, 2016

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 26

Schedule of Active Participant Data for Cash Balance Plans as of January 1, 2016

Note: should be created automatically if have a CB type formula.

Attained Age	Years of Credited Service																			
	Under 1		1 to 4		5 to 9		10 to 14		15 to 19		20 to 24		25 to 29		30 to 34		35 to 39		40 & Over	
	No.	Cash Bal.	No.	Cash Bal.	No.	Cash Bal.	No.	Cash Bal.	No.	Cash Bal.	No.	Cash Bal.	No.	Cash Bal.	No.	Cash Bal.	No.	Cash Bal.	No.	Cash Bal.
Under 25	44	400	80	2173	5	2120														
25 - 29	31	378	141	2631	35	2308	1	4377												
30 - 34	24	363	88	2999	102	2968	49	7178												
35 - 39	17	334	60	3055	90	3393	80	6962	21	8680										
40 - 44	9	369	64	3104	98	4083	89	8956	50	10834	17	11976								
45 - 49	8	573	50	2443	71	3863	105	9885	26	12157	24	12146	10	13450	2	7893				
50 - 54	19	362	49	3031	69	4208	89	10925	36	11157	20	13252	20	18430	8	23230	1	14720		
55 - 59	8	418	39	3105	62	4334	67	9330	28	12729	22	13399	17	13027	20	19886	11	14865		
60 - 64	4	361	20	2516	48	4255	40	10502	27	10445	14	18276	9	12332	4	8949	8	19835	6	18334
65 - 69			3	1460	16	5196	17	8091	4	20974	4	10267	2	11036	3	16797	1	11430	5	21969
70 & Over					2	3325	2	8368			1	13282			1	2266			1	37401

Plan Name: Trane Pension Plan
 EIN / PN: 25-0900465 / 003
 Plan Sponsor: Trane U.S. Inc.
 Valuation Date: January 1, 2016

SCHEDULE SB ATTACHMENTS

Schedule SB – Statement by Enrolled Actuary

Plan Sponsor	Trane U.S. Inc.
EIN/PN	25-0900465/003
Plan Name	Trane Pension Plan
Valuation Date	January 1, 2016
Enrolled Actuary	Brenda G. Stovall
Enrollment Number	17-05721

The actuarial assumptions that are not mandated by IRC § 430 and regulations, represent the enrolled actuary's best estimate of anticipated experience under the plan, subject to the following conditions:

The actuarial valuation, on which the information in this Schedule SB is based, has been prepared in reliance upon the employee and financial data furnished by the plan administrator and the trustee. The enrolled actuary has not made a rigorous check of the accuracy of this information but has accepted it after reviewing it and concluding it is reasonable in relation to similar information furnished in previous years. The amounts of contributions and dates paid shown in Item 18 of Schedule SB were listed in reliance on information provided by the plan administrator and/or trustee.

SCHEDULE SB ATTACHMENTS

Schedule SB, Part V Statement of Actuarial Assumptions/Methods

Economic Assumptions

Interest rate basis

■ Applicable month	September
■ Interest rate basis	3-Segment Rates

Interest rates

	Reflecting Corridors	Not Reflecting Corridors
■ First segment rate	4.43%	1.34%
■ Second segment rate	5.91%	4.03%
■ Third segment rate	6.65%	5.06%
■ Effective interest rate	6.10%	4.34%

Annual rates of increase

■ Compensation	4.00%
■ Future Social Security wage bases	Not applicable
■ Statutory limits on compensation	None
■ Interest credit rate	3.89%
■ Assumed cost of living adjustments	0.00%

Plan Name:	Trane Pension Plan
EIN / PN:	25-0900465 / 003
Plan Sponsor:	Trane U.S. Inc.
Valuation Date	January 1, 2016

SCHEDULE SB ATTACHMENTS

Demographic Assumptions

Inclusion date The valuation date coincident with or next following the date on which the employee becomes a participant.

New or rehired employees It was assumed there will be no new or rehired employees.

Mortality

■ **Healthy** For non-disabled participants: The prescribed mortality assumption under IRC §430(h)(3)(A) using static tables with separate mortality rates for annuitants and non-annuitants.

■ **Disabled** Mortality in accordance with Revenue Ruling 96-7.

Termination

Salaried Employees

Percentage leaving during the year	
Attained Age	Unisex rate of withdrawal
25	13.0%
30	11.5%
35	10.0%
40	9.5%
45	9.0%
50	8.5%
54	8.0%
55	0.0%

Hourly Employees

Percentage leaving during the year	
Attained Age	Unisex rate of withdrawal
25	11.00%
30	11.00%
35	8.50%
40	6.50%
45	4.50%
50	3.50%
54	3.00%
55+	0.00%

Plan Name: Trane Pension Plan
EIN / PN: 25-0900465 / 003
Plan Sponsor: Trane U.S. Inc.
Valuation Date: January 1, 2016

SCHEDULE SB ATTACHMENTS

Retirement

Salaried:

Percentage retiring during the year	
Age	Annual Rate
55-59	8%
60-61	10%
62-64	20%
65-69	30%
70+	100%

Hourly:

It is assumed that normal and early retirements will occur in accordance with the following rates (subject to eligibility under the individual plans):

- Current A – will be used for those participants at least age 50 as of January 1, 2008
- Current B – will be used for those participants less than age 50 as of January 1, 2008

Age	Current A	Current B
Age	5.00%	5.00%
55	3.00%	3.00%
56	3.00%	3.00%
57	3.00%	3.00%
58	3.00%	3.00%
59	3.00%	3.00%
60	40.00%	20.00%
61	25.00%	12.50%
62	20.00%	10.00%
63	20.00%	10.00%
64	20.00%	10.00%
65	25.00%	25.00%
66	25.00%	25.00%
67	25.00%	25.00%

Unpredictable
Contingent Event
Benefit (UCEB)
assumptions

None

Plan Name: Trane Pension Plan
 EIN / PN: 25-0900465 / 003
 Plan Sponsor: Trane U.S. Inc.
 Valuation Date: January 1, 2016

SCHEDULE SB ATTACHMENTS

Form of payment	<p>For participants who retire directly from active service after age 55: 75% are assumed to elect an immediate lump sum and 25% are assumed to elect an immediate annuity in the normal form.</p> <p>For participants who terminate employment before age 55: 34% are assumed to elect an immediate lump sum, 33% are assumed to elect a lump sum at normal retirement date and 33% are assumed to elect an annuity in the normal form for a single participant at normal retirement date.</p> <p>For vested participants who have terminated and not previously received a distribution from the plan 50% are assumed to elect a lump sum at normal retirement date and 50% are assumed to elect an annuity in the normal form at normal retirement date.</p>
Percent married	Actual data is used for retired participants. For all other participants 70% of males and 55% of females are assumed to be married at death.
Spouse age	Females are assumed to be 2 years younger than their husbands
Plan-related expenses	The amount included this year for plan-related expenses is \$320,000. This amount is based on the noninvestment-related expenses that were paid out of the plan in the prior fiscal year, and the change in the expected PBGC variable rate premium from the prior year to the current year.

Methods

Valuation date	First day of plan year
Funding target	Present value of accrued benefits
Target normal cost	Present value of benefits expected to accrue during the plan year plus plan-related expenses expected to be paid from plan assets during the plan year.

Plan Name:	Trane Pension Plan
EIN / PN:	25-0900465 / 003
Plan Sponsor:	Trane U.S. Inc.
Valuation Date	January 1, 2016

SCHEDULE SB ATTACHMENTS

**Actuarial value
of assets for determining
minimum required
contributions**

Average of the fair market value of assets on the valuation date and the two immediately preceding valuation dates, adjusted for contributions, benefits, administrative expenses and expected earnings of 3.25% for 2015 and 4.00% for 2014 (with such expected earnings limited as described in IRS Notice 2009-22). The average asset value must be within 10% of market value, including discounted contributions receivable (discounted using the effective interest rate for the prior plan year).

The method of computing the actuarial value of assets complies with rules governing the calculation of such values under the Pension Protection Act of 2006 (PPA). These rules produce smoothed values that reflect the underlying market value of plan assets but fluctuate less than the market value. As a result, the actuarial value of assets will be lower than the market value in some years and greater in other years. However, over the long term under PPA's smoothing rules, the method has a significant bias to produce an actuarial value of assets that is below the market value of assets.

Benefits not valued

All benefits described in the Plan Provisions section of this report were valued based on discussions with the plan sponsor regarding the likelihood that these benefits will be paid. Willis Towers Watson has reviewed the plan provisions with the plan sponsor and, based on that review, is not aware of any significant benefits required to be valued that were not.

Participant data

The valuations are based on employee data provided by Ingersoll Rand, covering all persons who participated in the plan as of the valuation date, whether in an active, terminated vested or retired status. Reasonable estimates were employed if any data was unavailable.

We have not independently verified the accuracy or completeness of the data or information provided, but we have performed limited checks for reasonableness.

Tax policy

The actuarial valuation performed for the plan year ending December 31, 2016 is used to determine the maximum deductible contribution for the tax year ending December 31, 2016.

Plan Name:	Trane Pension Plan
EIN / PN:	25-0900465 / 003
Plan Sponsor:	Trane U.S. Inc.
Valuation Date	January 1, 2016

SCHEDULE SB ATTACHMENTS

Assumptions Rationale - Significant Economic Assumptions

Discount rate	The basis chosen was selected by the plan sponsor from among choices prescribed by law, all of which are based on observed market data over certain periods of time.
Cash Balance Interest crediting rate	The plan credits interest to cash balance accounts using the 12-month average of the annual yields on the 5-year U.S treasury securities for the period September through August. Ingersoll Rand has selected a long-term assumption of 3.89% for future years.
Lump sum conversion rate	Lump sums calculated under IRC Section 417(e) are calculated using an interest rate which is the same as the discount rate since both are derived from current yields on long-term corporate bonds. The mortality rates used to value future lump sums are based on the plan sponsor's best estimate of the rates that will be prescribed by the IRS for future lump sum calculations under Section 417(e).
Annuity conversion rate for hybrid plans	The assumed annuity conversion rate is a long term estimate of the plan's conversion basis (417(e)); we believe that the selected assumption does not significantly conflict with what would be reasonable.
Rates of increase in compensation:	Assumed compensation increases are based on plan sponsor expectations for pay increases over the long-term.
Administrative expenses	Administrative expenses are estimated by determining the expected actual expenses for the coming year, reflecting items like expected PBGC premiums and actual expenses paid from the trust the preceding year.

Assumptions Rationale - Significant Demographic Assumptions

Healthy Mortality	Assumptions used for funding purposes are as prescribed by IRC §430(h).
Disabled Mortality	Assumptions used for funding purposes are as prescribed by IRC §430(h).

Plan Name:	Trane Pension Plan
EIN / PN:	25-0900465 / 003
Plan Sponsor:	Trane U.S. Inc.
Valuation Date	January 1, 2016

SCHEDULE SB ATTACHMENTS

Termination

Termination rates were based on an experience study conducted in 2014, with annual consideration of whether any conditions have changed that would be expected to produce different results in the future. There have not been any subsequent modifications to reflect workforce conditions like reductions in force or other changes in conditions that are expected to produce different results in the future.

Retirement

Retirement rates were based on an experience study conducted in 2014, with annual consideration of whether any conditions have changed that would be expected to produce different results in the future. There have not been any subsequent modifications to reflect changes in conditions that are expected to produce different results in the future.

Retirement rates are based on plan sponsor expectations for the future with periodic monitoring of observed gains and losses caused by retirement patterns different than assumed.

Form of payment

The assumed form and timing of payments were selected based on recent experience and best estimate of future behavior.

Source of Prescribed Methods

Funding methods

The methods used for funding purposes as described in Appendix A, including the method of determining plan assets, are "prescribed methods set by law", as defined in the actuarial standards of practice (ASOPs). These methods are required by IRC §430, or were selected by the plan sponsor from a range of methods permitted by IRC §430.

Plan Name: Trane Pension Plan
EIN / PN: 25-0900465 / 003
Plan Sponsor: Trane U.S. Inc.
Valuation Date: January 1, 2016

SCHEDULE SB ATTACHMENTS

Changes in Assumptions and Methods

Change in assumptions since prior valuation	<p>The segment interest rates used to calculate the funding target were updated from an applicable month of September 2014 to September 2015.</p> <p>The required mortality table used to calculate the funding target and target normal cost was updated to include one additional year of projected mortality improvements.</p> <p>The assumed plan-related expenses added to the target normal cost were changed from \$285,000 for 2015 to \$320,000 for 2016.</p> <p>The interest crediting rate was changed from 3.50% to 3.89%.</p>
Change in methods since prior valuation	None

Plan Name: Trane Pension Plan
EIN / PN: 25-0900465 / 003
Plan Sponsor: Trane U.S. Inc.
Valuation Date: January 1, 2016

SCHEDULE SB ATTACHMENTS

Schedule SB, Part V Summary of Plan Provisions

Plan Provisions

The original plan was effective September 1, 2003. The plan was most recently amended effective November 28, 2007.

Coverage and participation

Each salaried or non-union hourly employee who is actively employed on a full-time or part-time basis before September 1, 2003 and who elects to participate in the Plan shall become a member as of September 1, 2003.

Each salaried or non-union hourly employee who is actively employed on a full-time or part-time basis after September 1, 2003 and before January 1, 2010 and who elects to participate in the Plan shall become a member on the later of the date he completes an hour of service and the date he enrolls in the plan.

The following Hourly union employees now benefit under the Plan:

- Rushville employees hired on or after 5/6/2006 and before 5/11/2014
- Clarksville employees hired on or after 1/1/2007
- UPG Tyler employees hired on or after 6/17/2006 and before 5/14/2016
- Lexington employees hired on or after 9/1/2008
- LaCrosse employees hired on or after 8/8/2010 and before 8/10/2014

Definitions

Vesting service

A participant who terminates employment before normal retirement age and after completion of 3 years of service or whose date of hire was prior to September 1, 2003 shall be 100% vested in his Account Balance Active members become 100% vested upon attainment of age 65 or if termination is due to death, permanent shutdown, or disability.

Plan Name: Trane Pension Plan
EIN / PN: 25-0900465 / 003
Plan Sponsor: Trane U.S. Inc.
Valuation Date: January 1, 2016

SCHEDULE SB ATTACHMENTS

Compensation	Earnings received in the calendar year as reported on Form W-2 including pre-tax contributions made pursuant to a salary reduction election under IRC Section 401(k), IRC Section 125 and IRC Section 132(f).
Accounts	<p>An account is maintained for each participant. Account balances receive pay-based credits and interest credits until benefit commencement.</p> <p>Effective 12/31/2009, pay-based credits are frozen for non-union employees.</p> <p>Effective 12/31/2020, pay-based credits will be frozen for union participants of Rushville and La Crosse.</p> <p>Effective 6/30/2021, pay-based credits will be frozen for union participants of Tyler.</p>
Pay-based credits	3% of compensation for union employees.
Interest credits	Interest is credited daily, with the annual interest rate equal to the annual yield on 5-year Treasury Securities for the 12-month period ending in August of the prior plan year, but not in excess of 8%.
Normal retirement date (NRD)	Age 65

Eligibility for Benefits

Normal retirement	Termination with 100% vesting
Postponed retirement	Termination with 100% vesting
Vested termination	Termination with 100% vesting
Preretirement death benefit	Death with 100% vesting

Benefits Paid Upon the Following Events

Normal retirement	A participant's account is payable upon any age after termination in the form of a monthly annuity or a lump sum. Several annuity options are available.
--------------------------	--

Plan Name:	Trane Pension Plan
EIN / PN:	25-0900465 / 003
Plan Sponsor:	Trane U.S. Inc.
Valuation Date	January 1, 2016

SCHEDULE SB ATTACHMENTS

Postponed retirement	A participant's account is payable upon any age after termination in the form of a monthly annuity or a lump sum. Several annuity options are available.
Vested termination	A participant's account is payable upon any age after termination in the form of a monthly annuity or a lump sum. Several annuity options are available.
Preretirement death	<p>If the beneficiary is the Member's spouse, the beneficiary is entitled to receive a single life annuity or a lump sum, which is the actuarial equivalent of the member's accrued benefit payable at his Normal Retirement Date. Spouse may elect to commence this benefit any time following Member's death.</p> <p>If the beneficiary is not the Member's spouse, the beneficiary shall receive a cash lump sum equal to 100% of the member's account as of the payment date. Payment date shall be as soon as administratively practical.</p>

Other Plan Provisions

Forms of payment	<p><u>Normal form</u></p> <p>The normal form of payment for a married participant is a Qualified Joint and 50% Survivor Annuity. The normal form of payment for a non-married participant is a single life annuity.</p> <p><u>Optional forms</u></p> <p>Option 1: Single life annuity. Option 2: Joint and 50% survivor annuity. Option 3: Joint and 75% survivor annuity. Option 4: Ten year certain and life annuity. Option 5: Lump sum payment.</p> <p>Benefits payable under an optional form are determined on an actuarially equivalent basis.</p>
Pension Increases	None
Plan participants' contributions	Not required or permitted

Plan Name:	Trane Pension Plan
EIN / PN:	25-0900465 / 003
Plan Sponsor:	Trane U.S. Inc.
Valuation Date	January 1, 2016

SCHEDULE SB ATTACHMENTS

Maximum on benefits and pay All benefits and pay for any calendar year may not exceed the maximum limitations for that year as defined in the Internal Revenue Code. The plan provides for increasing the dollar limits automatically as such changes become effective. Increases in the dollar limits are assumed for determining pension cost but not for determining contributions.

Future Plan Changes

No future plan changes were recognized in determining pension cost or in determining minimum and maximum contributions Willis Towers Watson is not aware of any future plan changes which are required to be reflected other than scheduled pension increases contained in the Collective Bargaining Agreement.

Changes in Benefits Valued Since Prior Year

None

Substantive Commitment

None

Plan Name: Trane Pension Plan
EIN / PN: 25-0900465 / 003
Plan Sponsor: Trane U.S. Inc.
Valuation Date: January 1, 2016

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 22
Description of Weighted Average Retirement Age
as of January 1, 2016

See Schedule SB, Part V - Statement of Actuarial Assumptions/Methods for retirement rates. The average retirement age for Line 22 was calculated by determining the average age at retirement for those current active participants expected to reach retirement, based on all current decrements assumed.

Summary

<u>Plan</u>	<u>Number of Participants</u>	<u>Weighted Average Retirement Age</u>
Salaried	1,418	62.097
Hourly Plan - Participants at least age 50 as of January 1, 2008	65	62.016
Hourly Plan - Participants less than age 50 as of January 1, 2008	835	63.602
Total Weighted Average Retirement Age		62.637

Plan Name:	Trane Pension Plan
EIN / PN:	25-0900465 / 003
Plan Sponsor:	Trane U.S. Inc.
Valuation Date	January 1, 2016

SCHEDULE SB ATTACHMENTS

The average retirement age was calculated by creating a hypothetical life table with retirement as the only decrement, and then computing the average retirement age for the table.

Schedule SB, Line 22 - Description of Weighted Average Retirement Age

Salaried Plan

Age	x (mid year)	q_x^r	l_x	${}_{x-55}p_{55} = l_x / l_{55}$	$q_x^r * l_x / l_{55}$	$x * q_x^r * l_x / l_{55}$
55	55.5	8.00%	1,000,000	1.000000	0.080000	4.440000
56	56.5	8.00%	920,000	0.920000	0.073600	4.158400
57	57.5	8.00%	846,400	0.846400	0.067712	3.893440
58	58.5	8.00%	778,688	0.778688	0.062295	3.644260
59	59.5	8.00%	716,393	0.716393	0.057311	3.410030
60	60.5	10.00%	659,082	0.659082	0.065908	3.987443
61	61.5	10.00%	593,173	0.593173	0.059317	3.648016
62	62.5	20.00%	533,856	0.533856	0.106771	6.673200
63	63.5	20.00%	427,085	0.427085	0.085417	5.423977
64	64.5	20.00%	341,668	0.341668	0.068334	4.407515
65	65.5	30.00%	273,334	0.273334	0.082000	5.371019
66	66.5	30.00%	191,334	0.191334	0.057400	3.817113
67	67.5	30.00%	133,934	0.133934	0.040180	2.712159
68	68.5	30.00%	93,754	0.093754	0.028126	1.926638
69	69.5	30.00%	65,628	0.065628	0.019688	1.368335
70	70	100.00%	45,939	0.045939	0.045939	3.215751

Weighted Average Retirement Age = 62.097298

Plan Name: Trane Pension Plan
 EIN / PN: 25-0900465 / 003
 Plan Sponsor: Trane U.S. Inc.
 Valuation Date: January 1, 2016

SCHEDULE SB ATTACHMENTS

The average retirement age was calculated by creating a hypothetical life table with retirement as the only decrement, and then computing the average retirement age for the table.

Schedule SB, Line 22 - Description of Weighted Average Retirement Age

Hourly Plan - Participants at least age 50 as of January 1, 2008

Age	x (mid year)	q_x^r	l_x	${}_{x-55}p_{55} = l_x / l_{55}$	$q_x^r * l_x / l_{55}$	$x * q_x^r * l_x / l_{55}$
55	55.5	5.00%	1,000,000	1.000000	0.050000	2.775000
56	56.5	3.00%	950,000	0.950000	0.028500	1.610250
57	57.5	3.00%	921,500	0.921500	0.027645	1.589588
58	58.5	3.00%	893,855	0.893855	0.026816	1.568716
59	59.5	3.00%	867,039	0.867039	0.026011	1.547665
60	60.5	40.00%	841,028	0.841028	0.336411	20.352882
61	61.5	25.00%	504,617	0.504617	0.126154	7.758485
62	62.5	20.00%	378,463	0.378463	0.075693	4.730783
63	63.5	20.00%	302,770	0.302770	0.060554	3.845181
64	64.5	20.00%	242,216	0.242216	0.048443	3.124588
65	65.5	25.00%	193,773	0.193773	0.048443	3.173031
66	66.5	25.00%	145,330	0.145330	0.036332	2.416106
67	67.5	25.00%	108,997	0.108997	0.027249	1.839329
68	68.5	25.00%	81,748	0.081748	0.020437	1.399933
69	69.5	25.00%	61,311	0.061311	0.015328	1.065278
70	70	100%	45,983	0.045983	0.045983	3.218825

Weighted Average Retirement Age = 62.015639

Plan Name: Trane Pension Plan
 EIN / PN: 25-0900465 / 003
 Plan Sponsor: Trane U.S. Inc.
 Valuation Date: January 1, 2016

SCHEDULE SB ATTACHMENTS

The average retirement age was calculated by creating a hypothetical life table with retirement as the only decrement, and then computing the average retirement age for the table.

Schedule SB, Line 22 - Description of Weighted Average Retirement Age

Hourly Plan - Participants less than age 50 as of January 1, 2008

Age	x (mid year)	q_x^r	l_x	${}_{x-55}p_{55} = l_x / l_{55}$	$q_x^r * l_x / l_{55}$	$x * q_x^r * l_x / l_{55}$
55	55.5	5.00%	1,000,000	1.000000	0.050000	2.775000
56	56.5	3.00%	950,000	0.950000	0.028500	1.610250
57	57.5	3.00%	921,500	0.921500	0.027645	1.589588
58	58.5	3.00%	893,855	0.893855	0.026816	1.568716
59	59.5	3.00%	867,039	0.867039	0.026011	1.547665
60	60.5	40.00%	841,028	0.841028	0.336411	20.352882
61	61.5	25.00%	504,617	0.504617	0.126154	7.758485
62	62.5	20.00%	378,463	0.378463	0.075693	4.730783
63	63.5	20.00%	302,770	0.302770	0.060554	3.845181
64	64.5	20.00%	242,216	0.242216	0.048443	3.124588
65	65.5	25.00%	193,773	0.193773	0.048443	3.173031
66	66.5	25.00%	145,330	0.145330	0.036332	2.416106
67	67.5	25.00%	108,997	0.108997	0.027249	1.839329
68	68.5	25.00%	81,748	0.081748	0.020437	1.399933
69	69.5	25.00%	61,311	0.061311	0.015328	1.065278
70	70	100%	45,983	0.045983	0.045983	3.218825

Weighted Average Retirement Age = 63.601922

Plan Name: Trane Pension Plan
 EIN / PN: 25-0900465 / 003
 Plan Sponsor: Trane U.S. Inc.
 Valuation Date: January 1, 2016

**SCHEDULE SB
(Form 5500)**Department of the Treasury
Internal Revenue ServiceDepartment of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

**Single-Employer Defined Benefit Plan
Actuarial Information**

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500 or 5500-SF.**

OMB No. 1210-0110

2016**This Form is Open to Public
Inspection**

For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

▶ **Round off amounts to nearest dollar.**▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

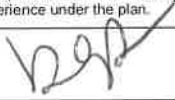
A Name of plan TRANE PENSION PLAN	B Three-digit plan number (PN) ▶ 003
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF TRANE U.S. INC.	D Employer Identification Number (EIN) 25-0900465
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500

Part I Basic Information

1 Enter the valuation date: Month 01 Day 01 Year 2016			
2 Assets:			
a Market value.....	2a	23,803,872	
b Actuarial value.....	2b	24,155,657	
3 Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a For retired participants and beneficiaries receiving payment	50	649,702	649,702
b For terminated vested participants	1,006	5,598,088	5,598,088
c For active participants	2,318	10,487,683	11,078,615
d Total	3,374	16,735,473	17,326,405
4 If the plan is in at-risk status, check the box and complete lines (a) and (b)..... ☐			
a Funding target disregarding prescribed at-risk assumptions.....	4a		
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor.....	4b		
5 Effective interest rate.....	5	6.10%	
6 Target normal cost	6	919,370	

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE	Brenda G. Stovall 	9/22/17
	Signature of actuary	Date
Brenda G. Stovall		1705721
	Type or print name of actuary	Most recent enrollment number
Towers Watson Delaware Inc.		901-930-0000
	Firm name	Telephone number (including area code)
3340 Players Club Parkway Suite 200 Memphis TN 38125	Address of the firm	

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

For Paperwork Reduction Act Notice, see the Instructions for Form 5500 or 5500-SF.

Schedule SB (Form 5500) 2016
v. 160205

Part V Assumptions Used to Determine Funding Target and Target Normal Cost

21 Discount rate:				
a Segment rates:	1st segment: 4.43 %	2nd segment: 5.91 %	3rd segment: 6.65 %	☐ N/A, full yield curve used
b Applicable month (enter code)				21b 4
22 Weighted average retirement age				22 63
23 Mortality table(s) (see instructions)	☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute			

Part VI Miscellaneous Items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment	☒ Yes ☐ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment	☐ Yes ☒ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment	☒ Yes ☐ No
27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment	27

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

28 Unpaid minimum required contributions for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)	29	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	30	0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6)	31a	919,370	
b Excess assets, if applicable, but not greater than line 31a	31b	919,370	
32 Amortization installments:	Outstanding Balance	Installment	
a Net shortfall amortization installment	0	0	
b Waiver amortization installment	0	0	
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33		
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)	34	0	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement	0	0	0
36 Additional cash requirement (line 34 minus line 35)	36	0	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	0	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	0	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years	40	0	

Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)

41 If an election was made to use PRA 2010 funding relief for this plan:			
a Schedule elected	☐ 2 plus 7 years ☐ 15 years		
b Eligible plan year(s) for which the election in line 41a was made	☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011		
42 Amount of acceleration adjustment	42	0	
43 Excess installment acceleration amount to be carried over to future plan years	43	0	

SCHEDULE SB ATTACHMENTS

The average retirement age was calculated by creating a hypothetical life table with retirement as the only decrement, and then computing the average retirement age for the table.

Schedule SB, Line 22 - Description of Weighted Average Retirement Age

Salaried Plan

Age	x (mid year)	q_x^r	l_x	${}_{x-55}p_{55} = l_x / l_{55}$	$q_x^r * l_x / l_{55}$	$x * q_x^r * l_x / l_{55}$
55	55.5	8.00%	1,000,000	1.000000	0.080000	4.440000
56	56.5	8.00%	920,000	0.920000	0.073600	4.158400
57	57.5	8.00%	846,400	0.846400	0.067712	3.893440
58	58.5	8.00%	778,688	0.778688	0.062295	3.644260
59	59.5	8.00%	716,393	0.716393	0.057311	3.410030
60	60.5	10.00%	659,082	0.659082	0.065908	3.987443
61	61.5	10.00%	593,173	0.593173	0.059317	3.648016
62	62.5	20.00%	533,856	0.533856	0.106771	6.673200
63	63.5	20.00%	427,085	0.427085	0.085417	5.423977
64	64.5	20.00%	341,668	0.341668	0.068334	4.407515
65	65.5	30.00%	273,334	0.273334	0.082000	5.371019
66	66.5	30.00%	191,334	0.191334	0.057400	3.817113
67	67.5	30.00%	133,934	0.133934	0.040180	2.712159
68	68.5	30.00%	93,754	0.093754	0.028126	1.926638
69	69.5	30.00%	65,628	0.065628	0.019688	1.368335
70	70	100.00%	45,939	0.045939	0.045939	3.215751

Weighted Average Retirement Age = 62.097298

Plan Name: Trane Pension Plan
 EIN / PN: 25-0900465 / 003
 Plan Sponsor: Trane U.S. Inc.
 Valuation Date: January 1, 2016

SCHEDULE SB ATTACHMENTS

The average retirement age was calculated by creating a hypothetical life table with retirement as the only decrement, and then computing the average retirement age for the table.

Schedule SB, Line 22 - Description of Weighted Average Retirement Age

Hourly Plan - Participants less than age 50 as of January 1, 2008

Age	x (mid year)	q_x^r	l_x	${}_{x-55}P_{55} = l_x / l_{55}$	$q_x^r * l_x / l_{55}$	$x * q_x^r * l_x / l_{55}$
55	55.5	5.00%	1,000,000	1.000000	0.050000	2.775000
56	56.5	3.00%	950,000	0.950000	0.028500	1.610250
57	57.5	3.00%	921,500	0.921500	0.027645	1.589588
58	58.5	3.00%	893,855	0.893855	0.026816	1.568716
59	59.5	3.00%	867,039	0.867039	0.026011	1.547665
60	60.5	40.00%	841,028	0.841028	0.336411	20.352882
61	61.5	25.00%	504,617	0.504617	0.126154	7.758485
62	62.5	20.00%	378,463	0.378463	0.075693	4.730783
63	63.5	20.00%	302,770	0.302770	0.060554	3.845181
64	64.5	20.00%	242,216	0.242216	0.048443	3.124588
65	65.5	25.00%	193,773	0.193773	0.048443	3.173031
66	66.5	25.00%	145,330	0.145330	0.036332	2.416106
67	67.5	25.00%	108,997	0.108997	0.027249	1.839329
68	68.5	25.00%	81,748	0.081748	0.020437	1.399933
69	69.5	25.00%	61,311	0.061311	0.015328	1.065278
70	70	100%	45,983	0.045983	0.045983	3.218825

Weighted Average Retirement Age = 63.601922

Plan Name: Trane Pension Plan
 EIN / PN: 25-0900465 / 003
 Plan Sponsor: Trane U.S. Inc.
 Valuation Date: January 1, 2016

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 26

Schedule of Active Participant Data for Cash Balance Plans as of January 1, 2016

Note: should be created automatically if have a CB type formula.

Attained Age	Years of Credited Service																			
	Under 1		1 to 4		5 to 9		10 to 14		15 to 19		20 to 24		25 to 29		30 to 34		35 to 39		40 & Over	
	No.	Cash Bal.	No.	Cash Bal.	No.	Cash Bal.	No.	Cash Bal.	No.	Cash Bal.	No.	Cash Bal.	No.	Cash Bal.	No.	Cash Bal.	No.	Cash Bal.	No.	Cash Bal.
Under 25	44	400	80	2173	5	2120														
25 - 29	31	378	141	2631	35	2308	1	4377												
30 - 34	24	363	88	2999	102	2968	49	7178												
35 - 39	17	334	60	3055	90	3393	80	6962	21	8680										
40 - 44	9	369	64	3104	98	4083	89	8956	50	10834	17	11976								
45 - 49	8	573	50	2443	71	3863	105	9885	26	12157	24	12146	10	13450	2	7893				
50 - 54	19	362	49	3031	69	4208	89	10925	36	11157	20	13252	20	18430	8	23230	1	14720		
55 - 59	8	418	39	3105	62	4334	67	9330	28	12729	22	13399	17	13027	20	19886	11	14865		
60 - 64	4	361	20	2516	48	4255	40	10502	27	10445	14	18276	9	12332	4	8949	8	19835	6	18334
65 - 69			3	1460	16	5196	17	8091	4	20974	4	10267	2	11036	3	16797	1	11430	5	21969
70 & Over					2	3325	2	8368			1	13282			1	2266			1	37401

Plan Name: Trane Pension Plan
 EIN / PN: 25-0900465 / 003
 Plan Sponsor: Trane U.S. Inc.
 Valuation Date: January 1, 2016

SCHEDULE SB ATTACHMENTS

Demographic Assumptions

Inclusion date The valuation date coincident with or next following the date on which the employee becomes a participant.

New or rehired employees It was assumed there will be no new or rehired employees.

Mortality

■ **Healthy** For non-disabled participants: The prescribed mortality assumption under IRC §430(h)(3)(A) using static tables with separate mortality rates for annuitants and non-annuitants.

■ **Disabled** Mortality in accordance with Revenue Ruling 96-7.

Termination

Salaried Employees

Percentage leaving during the year	
Attained Age	Unisex rate of withdrawal
25	13.0%
30	11.5%
35	10.0%
40	9.5%
45	9.0%
50	8.5%
54	8.0%
55	0.0%

Hourly Employees

Percentage leaving during the year	
Attained Age	Unisex rate of withdrawal
25	11.00%
30	11.00%
35	8.50%
40	6.50%
45	4.50%
50	3.50%
54	3.00%
55+	0.00%

Plan Name: Trane Pension Plan
EIN / PN: 25-0900465 / 003
Plan Sponsor: Trane U.S. Inc.
Valuation Date: January 1, 2016

SCHEDULE SB ATTACHMENTS

Form of payment	<p>For participants who retire directly from active service after age 55: 75% are assumed to elect an immediate lump sum and 25% are assumed to elect an immediate annuity in the normal form.</p> <p>For participants who terminate employment before age 55: 34% are assumed to elect an immediate lump sum, 33% are assumed to elect a lump sum at normal retirement date and 33% are assumed to elect an annuity in the normal form for a single participant at normal retirement date.</p> <p>For vested participants who have terminated and not previously received a distribution from the plan 50% are assumed to elect a lump sum at normal retirement date and 50% are assumed to elect an annuity in the normal form at normal retirement date.</p>
Percent married	Actual data is used for retired participants. For all other participants 70% of males and 55% of females are assumed to be married at death.
Spouse age	Females are assumed to be 2 years younger than their husbands
Plan-related expenses	The amount included this year for plan-related expenses is \$320,000. This amount is based on the noninvestment-related expenses that were paid out of the plan in the prior fiscal year, and the change in the expected PBGC variable rate premium from the prior year to the current year.

Methods

Valuation date	First day of plan year
Funding target	Present value of accrued benefits
Target normal cost	Present value of benefits expected to accrue during the plan year plus plan-related expenses expected to be paid from plan assets during the plan year.

Plan Name:	Trane Pension Plan
EIN / PN:	25-0900465 / 003
Plan Sponsor:	Trane U.S. Inc.
Valuation Date	January 1, 2016

SCHEDULE SB ATTACHMENTS

Assumptions Rationale - Significant Economic Assumptions

Discount rate	The basis chosen was selected by the plan sponsor from among choices prescribed by law, all of which are based on observed market data over certain periods of time.
Cash Balance Interest crediting rate	The plan credits interest to cash balance accounts using the 12-month average of the annual yields on the 5-year U.S treasury securities for the period September through August. Ingersoll Rand has selected a long-term assumption of 3.89% for future years.
Lump sum conversion rate	Lump sums calculated under IRC Section 417(e) are calculated using an interest rate which is the same as the discount rate since both are derived from current yields on long-term corporate bonds. The mortality rates used to value future lump sums are based on the plan sponsor's best estimate of the rates that will be prescribed by the IRS for future lump sum calculations under Section 417(e).
Annuity conversion rate for hybrid plans	The assumed annuity conversion rate is a long term estimate of the plan's conversion basis (417(e)); we believe that the selected assumption does not significantly conflict with what would be reasonable.
Rates of increase in compensation:	Assumed compensation increases are based on plan sponsor expectations for pay increases over the long-term.
Administrative expenses	Administrative expenses are estimated by determining the expected actual expenses for the coming year, reflecting items like expected PBGC premiums and actual expenses paid from the trust the preceding year.

Assumptions Rationale - Significant Demographic Assumptions

Healthy Mortality	Assumptions used for funding purposes are as prescribed by IRC §430(h).
Disabled Mortality	Assumptions used for funding purposes are as prescribed by IRC §430(h).

Plan Name:	Trane Pension Plan
EIN / PN:	25-0900465 / 003
Plan Sponsor:	Trane U.S. Inc.
Valuation Date	January 1, 2016

SCHEDULE SB ATTACHMENTS

Changes in Assumptions and Methods

Change in assumptions since prior valuation	<p>The segment interest rates used to calculate the funding target were updated from an applicable month of September 2014 to September 2015.</p> <p>The required mortality table used to calculate the funding target and target normal cost was updated to include one additional year of projected mortality improvements.</p> <p>The assumed plan-related expenses added to the target normal cost were changed from \$285,000 for 2015 to \$320,000 for 2016.</p> <p>The interest crediting rate was changed from 3.50% to 3.89%.</p>
Change in methods since prior valuation	None

Plan Name:	Trane Pension Plan
EIN / PN:	25-0900465 / 003
Plan Sponsor:	Trane U.S. Inc.
Valuation Date	January 1, 2016

SCHEDULE SB ATTACHMENTS

Schedule SB, Part V Summary of Plan Provisions

Plan Provisions

The original plan was effective September 1, 2003. The plan was most recently amended effective November 28, 2007.

Coverage and participation

Each salaried or non-union hourly employee who is actively employed on a full-time or part-time basis before September 1, 2003 and who elects to participate in the Plan shall become a member as of September 1, 2003.

Each salaried or non-union hourly employee who is actively employed on a full-time or part-time basis after September 1, 2003 and before January 1, 2010 and who elects to participate in the Plan shall become a member on the later of the date he completes an hour of service and the date he enrolls in the plan.

The following Hourly union employees now benefit under the Plan:

- Rushville employees hired on or after 5/6/2006 and before 5/11/2014
- Clarksville employees hired on or after 1/1/2007
- UPG Tyler employees hired on or after 6/17/2006 and before 5/14/2016
- Lexington employees hired on or after 9/1/2008
- LaCrosse employees hired on or after 8/8/2010 and before 8/10/2014

Definitions

Vesting service

A participant who terminates employment before normal retirement age and after completion of 3 years of service or whose date of hire was prior to September 1, 2003 shall be 100% vested in his Account Balance. Active members become 100% vested upon attainment of age 65 or if termination is due to death, permanent shutdown, or disability.

Plan Name: Trane Pension Plan
EIN / PN: 25-0900465 / 003
Plan Sponsor: Trane U.S. Inc.
Valuation Date: January 1, 2016

SCHEDULE SB ATTACHMENTS

Postponed retirement	A participant's account is payable upon any age after termination in the form of a monthly annuity or a lump sum. Several annuity options are available.
Vested termination	A participant's account is payable upon any age after termination in the form of a monthly annuity or a lump sum. Several annuity options are available.
Preretirement death	<p>If the beneficiary is the Member's spouse, the beneficiary is entitled to receive a single life annuity or a lump sum, which is the actuarial equivalent of the member's accrued benefit payable at his Normal Retirement Date. Spouse may elect to commence this benefit any time following Member's death.</p> <p>If the beneficiary is not the Member's spouse, the beneficiary shall receive a cash lump sum equal to 100% of the member's account as of the payment date. Payment date shall be as soon as administratively practical.</p>

Other Plan Provisions

Forms of payment	<p><u>Normal form</u></p> <p>The normal form of payment for a married participant is a Qualified Joint and 50% Survivor Annuity. The normal form of payment for a non-married participant is a single life annuity.</p> <p><u>Optional forms</u></p> <p>Option 1: Single life annuity. Option 2: Joint and 50% survivor annuity. Option 3: Joint and 75% survivor annuity. Option 4: Ten year certain and life annuity. Option 5: Lump sum payment.</p> <p>Benefits payable under an optional form are determined on an actuarially equivalent basis.</p>
Pension Increases	None
Plan participants' contributions	Not required or permitted

Plan Name:	Trane Pension Plan
EIN / PN:	25-0900465 / 003
Plan Sponsor:	Trane U.S. Inc.
Valuation Date	January 1, 2016

SCHEDULE SB ATTACHMENTS

Schedule SB – Statement by Enrolled Actuary

Plan Sponsor	Trane U.S. Inc.
EIN/PN	25-0900465/003
Plan Name	Trane Pension Plan
Valuation Date	January 1, 2016
Enrolled Actuary	Brenda G. Stovall
Enrollment Number	17-05721

The actuarial assumptions that are not mandated by IRC § 430 and regulations, represent the enrolled actuary's best estimate of anticipated experience under the plan, subject to the following conditions:

The actuarial valuation, on which the information in this Schedule SB is based, has been prepared in reliance upon the employee and financial data furnished by the plan administrator and the trustee. The enrolled actuary has not made a rigorous check of the accuracy of this information but has accepted it after reviewing it and concluding it is reasonable in relation to similar information furnished in previous years. The amounts of contributions and dates paid shown in Item 18 of Schedule SB were listed in reliance on information provided by the plan administrator and/or trustee.

Trane Pension Plan
Financial Statements and Supplemental Schedules
December 31, 2016 and 2015

Trane Pension Plan
Table of Contents

	<u>Page</u>
Independent Auditors' Report	1
Financial Statements	
Statements of Net Assets Available for Benefits as of December 31, 2016 and 2015	3
Statements of Changes in Net Assets Available for Benefits for the Years Ended December 31, 2016 and 2015	4
Statement of Accumulated Plan Benefits December 31, 2015	5
Statement of Changes in Accumulated Plan Benefits Year Ended December 31, 2015	6
Notes to Financial Statements	7
Supplemental Schedules	
Schedule H, Part IV, Line 4i – Schedule of Assets (Held at End of Year)	13
Schedule H, Part IV, Line 4j – Schedule of Reportable Transactions	14

Independent Auditors' Report

To the Participants and Administrator of the
Trane Pension Plan
Davidson, North Carolina

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of the Trane Pension Plan (the "Plan"), which comprise the statements of net assets available for benefits as of December 31, 2016 and 2015, the related statements of changes in net assets available for benefits for the years then ended, the statement of accumulated plan benefits as of December 31, 2015, and the related statement of changes in accumulated plan benefits for the year ended December 31, 2015, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America. This includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audits in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the *Basis for Disclaimer of Opinion* paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's ("DOL") Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 ("ERISA"), the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 4, which was certified by The Bank of New York Mellon, the trustee of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee as of December 31, 2016 and 2015, and for the years then ended, that the information provided to the plan administrator by the trustee is complete and accurate.



Disclaimer of Opinion

Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

Other Matter

The supplemental schedule of assets (held at end of year) as of December 31, 2016 and schedule of reportable transactions for the year ended December 31, 2016 are required by the DOL's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and are presented for the purpose of additional analysis and are not a required part of the financial statements. Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* paragraph, we do not express an opinion on the supplemental schedules.

Report on Form and Content in Compliance with DOL Rules and Regulations

The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

Dixon Hughes Goodman LLP

**Charlotte, North Carolina
October 13, 2017**

Trane Pension Plan
Statements of Net Assets Available for Benefits
December 31, 2016 and 2015

	2016	2015
Assets		
Investments, at fair value:		
Registered mutual funds	\$ 23,310,172	\$ 23,640,741
Short-term investment funds	96,756	38,123
Total investments	<u>23,406,928</u>	<u>23,678,864</u>
Receivables	<u>—</u>	<u>125,008</u>
Net assets available for benefits	<u><u>\$ 23,406,928</u></u>	<u><u>\$ 23,803,872</u></u>

The accompanying notes are an integral part of these financial statements.

Trane Pension Plan
Statements of Changes in Net Assets Available for Benefits
Years Ended December 31, 2016 and 2015

	2016	2015
Additions (reductions) to net assets attributable to:		
Net depreciation in fair value of investments	\$ (86,596)	\$ (520,459)
Interest and dividend income	<u>710,946</u>	<u>707,256</u>
Total additions	<u>624,350</u>	<u>186,797</u>
Deductions from net assets attributable to:		
Benefit payments to pensioners and beneficiaries	735,376	842,276
Administrative expenses	<u>285,918</u>	<u>300,505</u>
Total deductions	<u>1,021,294</u>	<u>1,142,781</u>
Net decrease	(396,944)	(955,984)
Net assets available for benefits		
Beginning of year	23,803,872	24,759,856
End of year	<u><u>\$ 23,406,928</u></u>	<u><u>\$ 23,803,872</u></u>

The accompanying notes are an integral part of these financial statements.

Trane Pension Plan
Statement of Accumulated Plan Benefits
December 31, 2015*

Actuarial present value of accumulated plan benefits (Note 2)

Vested benefits

Participants currently receiving payments	\$ 859,169
Other participants	22,786,996
Total vested benefits	<u>23,646,165</u>

Non-vested benefits	<u>580,919</u>
---------------------	----------------

Total actuarial present value of accumulated plan benefits	<u><u>\$ 24,227,084</u></u>
---	------------------------------------

*Based on the latest actuarial valuation at January 1, 2016.

The accompanying notes are an integral part of these financial statements.

Trane Pension Plan
Statement of Changes in Accumulated Plan Benefits
Year Ended December 31, 2015*

Actuarial present value of accumulated plan benefits at January 1, 2015	\$ 23,277,566
Increase (decrease) during the year attributable to:	
Increase for interest due to a decrease in the discount period	779,917
Benefits accumulated	1,141,026
Net actuarial gains	(1,154,588)
Benefits paid	(842,276)
Change of assumptions	1,025,439
Net increase during the year	949,518
Actuarial present value of accumulated plan benefits at December 31, 2015	\$ 24,227,084

*Based on the latest actuarial valuation at January 1, 2016.

The accompanying notes are an integral part of these financial statements.

1. Description of the Plan

The following brief description of the Trane Pension Plan (the “Plan”) is provided for general information purposes. Participants should refer to the plan document for complete information.

General

The Plan is a hybrid defined benefit plan (cash balance plan) designed to allow participants some of the flexibility typically associated with a defined contribution plan, such as taking the benefit when they sever employment or receiving the benefit in a lump sum. At the same time, the Plan maintains the security associated with a traditional defined benefit pension plan. The Plan covers certain nonunion employees and collectively bargained United States employees of Trane U.S. Inc. (the “Company”) as defined by the Plan. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”) and the Internal Revenue Code of 1986, as amended (“IRC”). The Company is a wholly owned subsidiary of Ingersoll-Rand plc.

Effective January 1, 2010, all current and future salaried and non-collectively bargained hourly employees of Trane U.S. Inc. were no longer eligible to receive additional benefits related to service performed after such date and such employees became participants of the Ingersoll-Rand Pension Plan Number One. Additionally, pursuant to the collective bargaining agreements, the Company and the respective unions at the Company's Lexington, Tyler, Rushville, LaCrosse and Clarksville facilities, current and future collective bargained employees will no longer be eligible to receive additional benefits related to service performed after the dates set forth in the respective collective bargaining agreements. Moreover, pursuant to the labor agreement between the Company and the union at the Company's Fort Smith facility, employees ceased to receive eligible benefits after the dates set forth in the agreement related to the permanent plant shutdown. The determination of service for vesting purposes will be made in accordance with the Plan. Collectively bargained hourly employees eligible to participate in the Plan accrue benefits based on a percentage of compensation, as defined by the Plan.

Pension Benefits

Upon retirement or termination, participants may elect to receive distribution of their vested benefit in a lump sum or an annuity, as defined by the Plan. Retirement benefits generally become 100% vested upon completion of three years of service as defined by the Plan.

The Bank of New York Mellon is the trustee of the Plan.

2. Summary of Significant Accounting Policies

Basis of Accounting

The financial statements of the Plan are prepared under the accrual method of accounting.

Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America (“GAAP”) requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and changes therein, disclosure of contingent assets and liabilities, and the actuarial present value of accumulated plan benefits at the dates of the financial statements. Actual results could differ from those estimates.

Valuation of Investments

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 5 for a discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net depreciation represents the Plan's gains and losses on the investments bought and sold as well as held during the year.

Trane Pension Plan
Notes to Financial Statements
December 31, 2016 and 2015

Funding Policy

The Company's funding policy is to make annual minimum contributions as required by law as determined by the actuary, and other contributions in its discretion as allowed by law. As determined by the actuary, no contributions were required during 2016 and 2015.

Expenses

The Plan pays many expenses incurred with administering the Plan. The Plan's actuarial cost method includes a factor to fund such expenses through employer contributions. Fees paid by the Plan include various professional fees, investment fees, Pension Benefit Guaranty Corporation ("PBGC") fees and any other costs of administering the Plan. The PBGC requires the Plan to pay an annual fee based on the number of participants in the Plan. The fee for 2016 and 2015 was \$64 and \$57 per participant, respectively; however, the yearly cost is determined by the PBGC and is subject to change. The annual fixed PBGC fee per participant is expected to be \$69 in 2017 and \$74 in 2018.

Benefit Payments

Benefit payments are recorded when paid.

Subsequent Events

The Plan has evaluated subsequent events through October 13, 2017, in connection with the preparation of these financial statements, which is the date the financial statements were available to be issued.

Actuarial Present Value of Accumulated Plan Benefits

Accumulated plan benefits are those future periodic payments, including lump-sum distributions that are attributable under the Plan's provisions to the service that employees have rendered. Accumulated plan benefits include vested benefits expected to be paid to retired or terminated employees or their beneficiaries, beneficiaries of employees who have died, and present employees or their beneficiaries. Benefits payable under all circumstances are included to the extent they are deemed attributable to employee service rendered to the valuation date.

The actuarial present value of accumulated plan benefits at January 1, 2016 was determined by the consulting actuary. The actuarial present value results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment.

The significant actuarial assumptions used in the valuation at January 1, 2016 and 2015 were as follows:

- Participants' life expectancy for non-disabled participants, based on Base Mortality Table RP-2014 base table projected back to 2011 with Mortality Projection Scale MP-2014 with a 15 year convergence period and a long term rate of 0.75% with separate mortality rates for annuitants and non-annuitants. Life expectancy for disabled participants utilized the Base Mortality table RP-2014 disabled retiree base table projected back to 2011 with Mortality Projection Scale MP-2014 with a 15 year convergence period and a long term rate of 0.75%.
- Retirement ages, which start at 55 and use actual plan experience.
- Turnover rates, which vary with age and length of service.
- Administrative expense assumption was \$320,000 and \$285,000 for 2016 and 2015, respectively.
- Discount rate of 3.25% in 2016 and 2015.

Trane Pension Plan
Notes to Financial Statements
December 31, 2016 and 2015

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits.

New Accounting Pronouncements

In May 2015, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2015-07, *Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent)*, which exempts investments measured using the net asset value ("NAV") practical expedient in Accounting Standards Codification 820, *Fair Value Measurement*, from categorization within the fair value hierarchy. This guidance requires retrospective application and is effective for annual reporting periods beginning on or after December 15, 2015. As such, the Plan has removed all investments from the fair value hierarchy for which fair value is measured using the NAV per share practical expedient. The adoption had no effect on the Plan's financial statement.

In July 2015, the FASB issued ASU 2015-12, *Plan Accounting: Defined Benefit Pension Plans (Topic 960), Defined Contribution Pension Plans (Topic 962), and Health and Welfare Benefit Plans (Topic 965): Part (I) Fully Benefit-Responsive Investment Contracts, Part (II) Plan Investment Disclosures, Part (III) Measurement Date Practical Expedient*. This three-part standard simplifies employee benefit plan reporting with respect to fully benefit-responsive investment contracts and plan investment disclosures, and provides for a measurement-date practical expedient. Part I and Part II are effective for fiscal years beginning after December 15, 2015, and should be applied retrospectively, with early application permitted. Part III is effective for fiscal years beginning after December 15, 2015, and should be applied prospectively, with early application permitted. The adoption of Parts I and III had no effect on the financial statement presentation. The adoption of Part II eliminated the requirement to disaggregate investments by nature, characteristics and risks. The adoption has been reflected in Note 4.

In February 2017, the FASB issued ASU No. 2017-06, *Plan Accounting: Defined Benefit Pension Plans (Topic 960), Defined Contribution Pension Plans (Topic 962), Health and Welfare Benefit Plans (Topic 965): Employee Benefit Plan Master Trust Reporting*. This guidance requires the disclosure of the Plan's dollar amount of their interest in each general type of investment held by the master trust. In addition, the guidance requires disclosure of the master trust's other asset and liability balances and the Plan's interest in each of those other assets and liability balances. This guidance requires retrospective application and is effective for annual reporting periods beginning on or after December 15, 2018. Early adoption is permitted. The Company does not expect the adoption of this accounting guidance to have a significant impact on the Plan's financial statements.

3. Unaudited Information Certified by Trustee

The Bank of New York Mellon ("the Trustee"), holds the Plan's investments and executes its transactions. The Trustee has prepared the information included in the accompanying financial statements as of December 31, 2016 and 2015 and for the years then ended and has furnished it to the plan administrator together with a certification that such information is complete and accurate. Such certifications are required under the method of compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 elected by the plan administrator.

The accompanying financial statements include the following unaudited information as of and for the years ended December 31, 2016 and 2015 which was obtained from data prepared and certified as complete and accurate by the Trustee:

Trane Pension Plan
Notes to Financial Statements
December 31, 2016 and 2015

	2016	2015
Registered mutual fund	\$ 23,310,172	\$ 23,640,741
Short-term investment fund	\$ 96,756	\$ 38,123
Interest and dividend income	\$ 710,946	\$ 707,256
Net depreciation in fair value of investments	\$ (86,596)	\$ (520,459)

* All information contained in Notes 3 and 5.

4. Fair Value Measurements

Fair value is defined as the exchange price that would be received to sell an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Fair value measurements are based on a framework that utilizes the inputs market participants use to determine the fair value of an asset or liability and establishes a fair value hierarchy to prioritize those inputs. The fair value hierarchy is comprised of three levels that are described below:

- Level 1 Inputs to the valuation methodology are based on quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.
- Level 2 Inputs other than Level 1. Inputs to the valuation methodology include:
 - Quoted prices for similar assets or liabilities in active markets;
 - Quoted prices for identical or similar assets or liabilities in markets that are not active;
 - Other inputs that are observable or can be corroborated by observable market data for substantially the full term of the asset or liability.
- Level 3 Inputs to the valuation methodology are unobservable inputs based on little or no market activity and that are significant to the fair value of the assets and liabilities.

The fair value hierarchy requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. Observable inputs are obtained from independent sources and can be validated by a third party, whereas unobservable inputs reflect assumptions regarding what a third party would use in pricing an asset or liability based on the best information available under the circumstances. A financial instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

Following is a description of the valuation methodologies used for the underlying assets measured at fair value. There have been no significant changes in the methodologies used at December 31, 2016 and 2015.

Registered mutual fund: The shares of registered investment companies are valued at quoted market prices in an exchange or active market. Registered mutual funds are pooled assets of multiple investors overseen by investment managers. Investors own a proportionate interest in the fund (i.e. number of units of the fund). Daily price (Net Asset Value or "NAV" per share) is determined based on the total market value of the fund divided by total number of shares outstanding. Registered mutual funds are typically daily traded, and their NAVs are publicly quoted. IR has elected to report fair value of its registered mutual fund holdings based on NAV per share with level 1 assignment.

Short term investment fund: The short-term investment fund is valued at the closing price or amount held on deposit by the custodian bank or at the fair value by discounting the related cash flows based on the current yields of similar instruments with comparable durations considering the credit-worthiness of the issuer. As these investments are traded on active markets, these investments are classified as Level 1.

Trane Pension Plan
Notes to Financial Statements
December 31, 2016 and 2015

The methods described above may produce a fair value that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, with the fair value hierarchy, the Plan's assets at fair value as of December 31, 2016 and 2015:

Assets at fair value as of December 31, 2016				
	Level 1	Level 2	Level 3	Total
Registered mutual fund: bond fund	\$ 23,310,172	\$ —	\$ —	\$ 23,310,172
Short term investment fund	96,756	—	—	96,756
Total assets at fair value	<u>\$ 23,406,928</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 23,406,928</u>

Assets at fair value as of December 31, 2015				
	Level 1	Level 2	Level 3	Total
Registered mutual fund: bond fund	\$ 23,640,741	\$ —	\$ —	\$ 23,640,741
Short term investment fund	38,123	—	—	38,123
Total assets at fair value	<u>\$ 23,678,864</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 23,678,864</u>

5. Plan Termination

Subject to the applicable collective bargaining agreement, Ingersoll-Rand plc has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions set forth in ERISA and the IRC. In the event the Plan is terminated, the net assets of the Plan will be allocated, as prescribed by ERISA and the IRC and its respective related regulations.

Certain benefits under the Plan are insured by the PBGC if the Plan is terminated. Generally, the PBGC guarantees most vested normal age retirement benefits, early retirement benefits, and certain disability and survivor's benefits. However, the PBGC does not guarantee benefits to all Plan participants and for all types of benefits and the amount of benefit protection is subject to certain limitations.

Whether all participants receive their benefits should the Plan be terminated will depend on the sufficiency, at that time, of the Plan's net assets to provide those benefits and may also depend on the level of benefits guaranteed by the PBGC.

6. Tax Status

The Internal Revenue Service has determined and informed the Company by a letter dated July 11, 2017, that the Plan and related trust are designed in accordance with the applicable sections of the IRC to be exempt from taxation. The plan administrator believes that the Plan is designed and is currently being operated in material compliance with the applicable requirements of the IRC.

GAAP requires plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The plan administrator has analyzed the tax positions taken by the Plan and has concluded that as of December 31, 2016 and 2015, there are no uncertain positions taken or expected to be taken that would require

Trane Pension Plan
Notes to Financial Statements
December 31, 2016 and 2015

recognition of a liability or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

7. Risks and Uncertainties

The Plan invests in various bonds, fixed-income and other investment securities. These securities are exposed to various risks, such as interest rate, market and credit risks. The Company's objective in managing its defined benefit plan assets is to ensure that all present and future benefit obligations are met as they come due. It seeks to achieve this goal while trying to mitigate volatility in plan funded status, contribution, and expense by better matching characteristics of the plan assets to that of the plan liabilities. The Company utilizes a dynamic approach to asset allocation whereby a plan's allocation to fixed income assets increases as the plan's funded status improves. Due to the level of risk associated with certain of investments, and the level of uncertainty related to changes in the fair values of such investments, it is at least reasonably possible that changes in such risks in the near term would materially affect the Plan's investment balances, and amounts reported in the Statements of Net Assets Available for Benefits and the Statements of Changes in Net Assets Available for Benefits.

Plan contributions are made and the actuarial present value of accumulated plan benefits is reported based on certain assumptions pertaining to interest rates, inflation rates, and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near term would be material to the financial statements.

Trane Pension Plan
Schedule H, Line 4(i) - Schedule of Assets (Held at End of Year)
December 31, 2016

Plan name: Trane Pension Plan
 EIN: #25-0900465
 Plan number: #003

Identity of issue, borrower, lessor, or similar party (b)	Description of investment including maturity date, rate of interest, collateral, par or maturity value (c)	Cost (d)	Current Value (e)
PIMCO Total Return Fund	2,324,045.012 shares	\$ 24,637,328	\$ 23,310,172
Collective Short Term Investment Fund	96,756.010 shares	<u>96,756</u>	<u>96,756</u>
Total investments		<u>\$ 24,734,084</u>	<u>\$ 23,406,928</u>

Trane Pension Plan
Schedule H, Line 4(j) - Schedule of Reportable Transactions
For the Year Ended December 31, 2016

Plan name: Trane Pension Plan
 EIN: #25-0900465
 Plan number: #003

(a)	(b)	(c)	(d)	(g)	(h)	(i)
Identity of party involved	Description of asset (include interest rate and maturity in case of a loan)	Purchase price	Selling price	Cost of asset	Current value of asset on transaction date	Net gain or (loss) on each transaction
PIMCO Total Return Fund	69,652.380 shares	\$ 711,026	\$ —	\$ 711,026	\$ 711,026	\$ —
PIMCO Total Return Fund	93,247.960 shares	\$ —	955,000	\$ 989,023	\$ 989,023	\$ (34,023)

Trane Pension Plan
Schedule H, Line 4(i) - Schedule of Assets (Held at End of Year)
December 31, 2016

Plan name: Trane Pension Plan
 EIN: #25-0900465
 Plan number: #003

Identity of issue, borrower, lessor, or similar party (b)	Description of investment including maturity date, rate of interest, collateral, par or maturity value (c)	Cost (d)	Current Value (e)
PIMCO Total Return Fund	2,324,045.012 shares	\$ 24,637,328	\$ 23,310,172
Collective Short Term Investment Fund	96,756.010 shares	<u>96,756</u>	<u>96,756</u>
Total investments		<u><u>\$ 24,734,084</u></u>	<u><u>\$ 23,406,928</u></u>

Trane Pension Plan
Schedule H, Line 4(j) - Schedule of Reportable Transactions
For the Year Ended December 31, 2016

Plan name: Trane Pension Plan
 EIN: #25-0900465
 Plan number: #003

(a)	(b)	(c)	(d)	(g)	(h)	(i)
Identity of party involved	Description of asset (include interest rate and maturity in case of a loan)	Purchase price	Selling price	Cost of asset	Current value of asset on transaction date	Net gain or (loss) on each transaction
PIMCO Total Return Fund	69,652,380 shares	\$ 711,026	\$ —	\$ 711,026	\$ 711,026	\$ —
PIMCO Total Return Fund	93,247,960 shares	\$ —	\$ 955,000	\$ 989,023	\$ 989,023	\$ (34,023)